

NATIONAL ASSEMBLY

OFFICIAL REPORT

Wednesday, 27th June, 2007

The House met at 2.30 p.m.

[Mr. Speaker in the Chair]

PRAYERS

COMMUNICATION FROM THE CHAIR

VISITING UGANDAN MPS IN SPEAKER'S ROW

Mr. Speaker: Hon. Members, we are privileged this afternoon to have two hon. Members from the Parliament of Uganda in the Speaker's Row. They are hon. Sebuliba Mutumba Richard; MP, Vice-Chairman, Public Accounts Committee and hon. Mzubuga William, MP, Chairman, Finance Committee. Accompanying them are Mr. Tugume Alfred, Clerk of Parliament, Mr. Awori Nasi, State Attorney, Ministry of Justice and Constitutional Affairs; Ms. Nasasi Rwita, State Attorney, Ministry of Justice and Constitutional Affairs. They are on an official visit to Kenya and will be attending a conference for the Eastern Africa Association of Public Accounts Committees.

Let me take this opportunity, on your behalf, and on my behalf to welcome them to our country and to wish them a happy and enjoyable stay in Kenya.

Thank you.

NOTICE OF MOTION

RATIFICATION OF PROTOCOL ON PREVENTION AND SUPPRESSION OF SEXUAL VIOLENCE AGAINST WOMEN AND CHILDREN

Ms. Ndung'u: Mr. Speaker, Sir, I beg to give Notice of the following Motion:-

THAT, considering that Kenya is a key signatory to the Pacton security, stability and development in the Great Lakes Region adopted and signed in December, 2006; cognizant of the fact that Kenya is now the Chair of the International Conference on the Great Lakes Region and therefore ought to lead by example in effecting all agreements reached in the Pact; noting that the Government has consistently condemned all crimes against humanity; this House urges the Government to urgently sign and ratify all protocols agreed to in the Pact, including the protocol on the Prevention and Suppression of Sexual Violence Against Women and Children.

QUESTION BY PRIVATE NOTICE

PARTICIPATION OF PUBLIC SERVANTS IN NARC(K) ELECTIONS

Mr. Bett: Mr. Speaker, Sir, I beg to ask the Minister of State for Public Service the following Question by Private Notice.

(a) Is the Minister aware that some public servants offered themselves and were elected at the ongoing NARC-Kenya elections in violation of the Civil Service Code of Regulations?

(b) What steps has the Minister taken to enforce the Code of Regulations and rid the Civil Service of political activists in the light of the above?

Mr. Speaker, Sir, I want to apologise for not being able to ask this Question yesterday because of circumstances beyond my control.

(A mobile phone rang)

Mr. Speaker: Could hon. Members keep away these gadgets? I have said that in the past. Please, it is disorientating. It is unhonourable to have it in the House. Please do so.

Proceed, Mr. Bett.

The Assistant Minister, Office of the President (Mr. Mganga): Mr. Speaker, Sir, I beg to reply.

(a) I am not aware that some public servants offered themselves and were, indeed, elected in the ongoing NARC(K) elections in violation of the Civil Service Code of Regulations.

(b) The Government issued a Circular No.OP/CAB.53/1A on 30th January, 2007, informing public servants that in accordance with the Code of Regulations, those officers wishing to seek elective posts for both parliamentary and civic levels must resign from the Public Service by 1st July, 2007.

Mr. Bett: Mr. Speaker, Sir, I want to thank the Assistant Minister for part "b" of the answer he has given me, but he is saying that he is not aware in part "a" of the answer. I want to agree with him because he comes from Taita and the exercise was taking place in Kerugoya/Kutus. The Chairman of the Kenya Electricity Regulatory Board offered himself for election as the Chairman of Kerugoya/Kutus NARC(K) Branch. Unfortunately, he was defeated and the exercise ended up being a fracas eventually. Is the Assistant Minister aware of that?

Mr. Mganga: Mr. Speaker, Sir, I agree that I am from Taita and the hon. Member comes all the way from Kericho. As he says the elections took place somewhere in Central Province which is in the middle of the areas where we come from. However, if the issue is with regard to Mr. Matere Keriri as he rightly says, Mr. Keriri had already resigned his position and submitted his letter of resignation on 25th May, 2007.

Capt. Nakitare: Mr. Speaker, Sir, this Question touches on the Civil Service Code of Regulations. Mr. Keriri was still enjoying State House privileges at the time he was campaigning for NARC(K) elections. During elections he used firearms to scare the voters. What action will this Assistant Minister take against this man because he used powers and privileges from State House to campaign when he was still a civil servant?

Mr. Mganga: Mr. Speaker, Sir, I am totally at a loss as to what privileges the hon. Member is referring to that Mr. Keriri was enjoying from State House. According to our records, Mr. Keriri left State House quite a while ago. He has been the Chairman of the Electricity Regulatory Board until 25th May, 2007. As to whether there were other gadgets that were used during the elections, we were not there to witness that event.

Mr. Sambu: Mr. Speaker, Sir, in part "b" of his answer the Assistant Minister said that a circular has been given out. What do we make of civil servants, be they lecturers from universities, who attend *Harambees* and declare that they are offering themselves for election? Are they offending that Circular which was issued? If they are, what action is being taken against them?

Mr. Mganga: Mr. Speaker, Sir, the Code of Regulations is explicit that a public officer wishing to contest for a parliamentary or civic seat must resign from office unless he is eligible for pension and in accordance with the Pensions Act. It further goes to state that a civil servant maintains neutrality according to the Civil Service Code of Regulations. The Circular is clear regarding whoever wants to stand for elections, that they are to resign by the 1st of July.

Maj. Madoka: Mr. Speaker, Sir, I happen to come from the same region as the Assistant Minister and I think he is aware that one of the chairmen of a parastatal stood and was actually elected Chairman of NARC(K) in Wundanyi. Could the Assistant Minister confirm or deny?

Mr. Mganga: Mr. Speaker, Sir, if the hon. Member could be kind enough to furnish me with information of the name of the person and details as to when the elections were held, we will be able to take appropriate action.

Mr. Speaker: Maj. Madoka would you like to bring that information?

Maj. Madoka: Mr. Speaker, Sir, he knows Mr. Mwanyengela Ngali was elected Chairman of NARC(K).

Mr. Speaker: Mr. Assistant Minister, have you ever heard of that name?

Mr. Mganga: Yes, I have heard of that name of Mr. Mwanyengela Ngali, but I am not aware that he was ever elected as Chairman of NARC(K).

Mr. Speaker: Very well. Next Question.

Mr. Bett: Mr. Speaker, Sir, could I ask my last question?

Mr. Speaker: Sorry Mr. Bett, I think I have given you too much time.

Mr. Bett: It is a very critical question!

Mr. Speaker: All right, ask your question.

Mr. Bett: Thank you, Mr. Speaker, Sir. The Assistant Minister has said that civil servants have got to observe neutrality in politics. I also want to believe, therefore, that the teachers who met with the President and the chiefs who met with the Minister of State for Administration and National Security were, indeed, observing neutrality. Be that as it may, the Assistant Minister has said that a Circular has come out and the last date for persons who want to contest for seats is the 30th of June. What happens if a person desires to contest for a seat after that date and has not resigned by June, 30th?

Mr. Mganga: Mr. Speaker, Sir, the Circular is intended to allow civil servants to exit from the service with their benefits for those who are pensionable and those serving on contract terms of service to get their gratuity. If any public servant chooses to stand for an elective seat well after the date that has been given by the Government and this is not done within the three months allowed to give notice, then he will either resign or be dismissed with the risk of loss of all benefits.

ORAL ANSWERS TO QUESTIONS

Question No.254

SUPPLY OF ELECTRICITY TO MARKETS IN KHWISERO

Mr. Speaker: Very well. At his request Mr. Arungah's Question has been deferred to Wednesday, next week.

(Question deferred)

Next Question!

Question No.080

TABLING OF REPORT ON STATUS OF
MIWANI/MUHORONI SUGAR COMPANIES

Prof. Olweny asked the Minister for Agriculture:-

(a) what the findings and recommendations of the Inter-Ministerial Committee established to look into the status of Miwani and Muhoroni sugar companies are;

(b) whether he could table the Committee's Report; and,

(c) whether there are individuals/organisations which have shown interest to revive Miwani Sugar Company.

The Assistant Minister for Agriculture (Mr. Kaindi): Mr. Speaker, Sir, I beg to reply.

(a) The Inter-Ministerial Taskforce established to look into the status of Miwani Sugar Company and Muhoroni Sugar Company found that both companies were insolvent. There were six recommendations on Miwani Sugar Company and two on Muhoroni Sugar Company, which are part of the Report I will table. All these recommendations have either been implemented or overtaken by actions the Government has taken to revive and divest from Muhoroni and Miwani Sugar Companies, respectively.

(b) I do, hereby, wish to table the reports.

*(Mr. Kaindi laid the documents
on the Table)*

(c) We have, as a Ministry, advertised in the local dailies and, therefore, expect that individuals will show interest in reviving Miwani Sugar Company (MSC).

Prof. Olweny: Mr. Speaker, Sir, I thank the Assistant Minister because the answer is good. We have the reports and so, I will look at them. He has also talked of having advertised for interested investors for Miwani and Muhoroni sugar companies. However, one of the conditions in the advertisement is that anybody interested must have been in the sugar-milling industry for at least, 20 years. Is he aware that such a requirement may prevent other people interested and who have money from declaring their interests to invest in one of those two factories? After all, when they invest, they will employ people who have experience. Is the Assistant Minister aware of that?

Mr. Kaindi: Yes, Mr. Speaker, Sir. I take cognisance of the sentiments by the hon. Member. I think the Ministry will make the appropriate review in the event we find that, that condition works against the local investors.

Mr. Speaker: Very well!

Next question!

Prof. Olweny: The last one?

(Laughter)

Mr. Speaker: Yes, Prof. Olweny!

Prof. Olweny: Mr. Speaker, Sir, there were those people who were party to bringing down MSC. They were responsible for the collapse of MSC. What measures will the Assistant Minister put in place to prevent them from getting involved again in the future of MSC?

Mr. Kaindi: Mr. Speaker, Sir, if the hon. Member reads - I think the reports are available for the House - the recommendations are specific and action has also been recommended.

However, I want to assure the hon. Member and allay his fears that in the event that those individuals show interest and the recommendations are to the contrary, we, as a Ministry, will not allow them to participate.

Mr. Speaker: Sorry, Mr. Assistant Minister! The documents you tabled in the House are not signed! There is a place to be signed by the Chairman and Secretary, and all of them are blank. So, they are not documents! Are they? They are hand-outs!

Mr. Kaindi: Mr. Speaker, Sir, that is something I can rectify. I can bring the signed documents tomorrow.

Mr. Speaker: Will you undertake to bring them back to this House, Tuesday next week, duly signed?

Mr. Kaindi: Indeed, Mr. Speaker, Sir.

Mr. Speaker: That is the order! Take them back!

Mr. Kaindi: Very well, Mr. Speaker, Sir!

*(Mr. Kaindi withdrew the documents
from the Table)
(Laughter)*

Prof. Olweny: On a point of order, Mr. Speaker, Sir. In that case, what is the way forward?

Mr. Speaker: What is the way?

Prof. Olweny: Mr. Speaker, Sir, what is the way forward in that case? He has taken the reports back!

Mr. Speaker: Prof. Olweny, listen to the Chair! The Chair has already given the way forward. What you are trying to give the House is the way backwards!

(Laughter)

I have already told him to go, sign and bring the reports on Tuesday, as an order. That is the way forward!

Next Question, hon. Member for Mathira!

Question No.359

DISMISSAL OF FORMER POLICE
INSPECTOR WILFRED WAMAI

Mr. Speaker: The hon. Member for Mathira is not here? He is absent, therefore, Question is dropped!

(Question dropped)

Next Question by Prof. Ruth Oniang'o!

Question No.185

LACK OF COMPUTERISED RECORD SYSTEMS
IN PUBLIC UNIVERSITIES

Mr. Speaker: Prof. Oniang'o, I do not know whether you talked to the Ministry of Education. Have you?

Prof. Oniang'o: No, Mr. Speaker, Sir.

Mr. Speaker: They called my Office and they are requesting that since the Ministers are out of town, they want the Question to be deferred to Thursday next week.

Prof. Oniang'o: Mr. Speaker, Sir, that is okay. I got the answer already; so Thursday is okay.

Mr. Speaker: Thank you!

(Question deferred)

Question No.103

ALLOCATION OF AWENDO HOSPITAL
LAND TO PRIVATE DEVELOPER

Mr. Ochilo-Ayacko asked the Minister for Health:-

(a) whether she is aware that land belonging to Awendo Sub-District Hospital has been given to a private developer; and,

(b) what she is doing to return the land to the hospital.

The Assistant Minister for Health (Dr. Machage): Mr. Speaker, Sir, I beg to reply.

(a) Yes, I am aware.

(b) During the District Physical Planning Liaison Committee (DPPLC) meeting held under the chairmanship of the District Commissioner (DC), Migori, and attended by the Awendo County Council (ACC), it was unanimously agreed upon that due to the mistake done earlier by the surveyor, the hospital will be compensated an equivalent portion of land adjoining the hospital by the private developer.

Thank you.

Mr. Ochilo-Ayacko: Mr. Speaker. Sir, this is the second time this Question is coming before the House after a long time. It is not true that there was unanimous agreement on this issue by the DPPLC.

Mr. Speaker, Sir, the Assistant Minister knows that, that is corruption arising from the office of the DC, Migori. Does the Assistant Minister know that the DPPLC does not have authority to alienate public land for private use by private developers? Is he aware that, that purported meeting was in contravention of CAP.286 of the Laws of Kenya that he is citing?

Dr. Machage: Mr. Speaker, Sir, I am very much aware. The important issue here is that, that anomaly on the allocation of land was done by a Government officer. The developer had gone ahead and constructed a primary school. He has agreed to give an equivalent portion of land to the hospital. Indeed, it is naive for me, as the Assistant Minister for Health, to refuse that good arrangement and save the two institutions for the benefit of the people of Rongo.

Mr. Ahenda: Mr. Speaker, Sir, the Assistant Minister has just accepted that he is aware. If he is aware, this is a question of land grabbing. Is he condoning land grabbing in this country? If he is, and he has accepted that the officers from the Government did it, what steps is he taking to punish them? That is rampant corruption! What steps is he taking against those officers?

(Laughter)

Dr. Machage: Mr. Speaker, Sir, I will be very wrong to accuse the developer of land grabbing when he was allocated that land by a Government surveyor. What we have done is to

identify the anomaly and the parties have agreed to the mistake that was done. Indeed, Mr. Ochilo-Ayacko had a meeting with the DC, Rongo, on 26th June, 2007, and he is in agreement with the resolutions passed by the DPPLC.

Mr. Ochilo-Ayacko: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to quote a meeting that never took place?

Mr. Speaker: The 26th of June, 2007, is just yesterday!

Mr. Ochilo-Ayacko: Mr. Speaker, Sir, I was in this House! I do not know what is in the mind of this Assistant Minister!

(Laughter)

Dr. Machage: Mr. Speaker, Sir, 26th June, 2007, has 24 hours. I may agree to that, maybe, if he complains that he did not attend-- However, that is the information I have. I will have to counter-check the truth of the information. The 26th of June, 2007, has 26 hours.

Hon. Members: It has 26 hours?

Dr. Machage: Mr. Speaker, Sir, it has 24 hours, and Mr. Ochilo-Ayacko was in the House for very few hours yesterday. However, I take his concerns and I will investigate the issue. That is the information I have from the ground.

Mr. Ochilo-Ayacko: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Could you let him respond first? Dr. Machage, would you like to come back, so that I can defer the Question?

Dr. Machage: Mr. Speaker, Sir, unless the hon. Member has a different agenda on this issue, I think the step taken by the District Commissioner and his committee is a good one. If he has resentment on the action taken, of allocating the hospital an equal piece of land which is adjacent to the hospital, and this is not pertinent in his thinking, then I would like to hear his views on how to solve this issue.

I would like to tell the House that this developer is not a resident of the hon. Member's constituency. He comes from Siaya. I would not want to be seen as trying to hit at a developer just because he comes from a different constituency.

Mr. Mwandawiro: Bw. Spika, inaonekana wazi kwamba tunaimarisha utamaduni wa ufisadi. Ufisadi umetendeka na tunaonyesha Wakenya kwamba mtu anaweza kupasua ardhi ya umma na baadaye akigawa kidogo, tunamhurumia na kuacha ufisadi uliotendeka. Je, huu ni utamaduni wa kumaliza ufisadi? Je, Serikali inakubali kuendeleza utamaduni wa ufisadi?

Dr. Machage: Mr. Speaker, Sir, on the contrary, St. Benedicts Academy was started by Mr. Nicholas Owour and the land was sold to him by two lawyers, who had bought the land after it was auctioned by the National Bank of Kenya Limited. This was due to a non-payment of a loan by Mr. Adede. So, this developer has nothing to do with corruption that is being talked about in this House. He is a very clean person.

Mr. Speaker: Dr. Machage, you would have helped the House from the very beginning. If we got that information, I am sure the House would have been wiser. These appear to me to be very innocent third parties.

Mr. Ochilo-Ayacko: Mr. Speaker, Sir, the Assistant Minister is totally misled in terms of the information that he has. If you heard him correctly, he has said that he wanted to find out the agenda I have on this issue.

Mr. Speaker, Sir, I wanted your guidance. I have a lot of information and correspondence indicating corruption in this matter. I would like to avail the same to the Assistant Minister so that he can come back to this House with sufficient preparation to brief this House on this matter.

The alleged land that is being offered as compensation to the sub-district hospital is across the road. It is not part of the land that was taken away from the hospital and it will not be of benefit to the hospital at all. The Assistant Minister may be innocent in what he is presenting to this House, but he does not have the correct information which I have. If he would agree to have the same information and come back to this House, he would be very useful to us.

Dr. Machage: Mr. Speaker, Sir, as far as today's Question is concerned, I have answered it to the best of my ability and I am satisfied that the land given to the hospital is of value. However, if the hon. Member has a different Question on what he thinks is corruption, he may bring it to the House in a different way, so that I can answer it. I will be very happy to receive that extra information that the hon. Member has. Maybe it will be of benefit to me and the House.

Mr. Ochilo-Ayacko: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Sorry, we have to leave this issue!

Mr. Ochilo-Ayacko: Please, Mr. Speaker, Sir, just understand it!

Mr. Speaker: Order, Mr. Ochilo-Ayacko!

Mr. Ochilo-Ayacko: Mr. Speaker, Sir, just understand!

Mr. Speaker: Order, Mr. Ochilo-Ayacko! I have been more than understanding!

Mr. Ochilo-Ayacko: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: Order, Mr. Ochilo-Ayacko! You are becoming disorderly! Are you not? You will get out if you utter one more word!

Mr. Ogur: Mr. Speaker, Sir, honestly speaking, thieves know how to steal. The "grabber" sold the piece of land quickly because he did not want to appear to have stolen it. The third person was caught. The whole range of them are thieves. That line---

Mr. Speaker: Order, Mr. Ogur! You are using very unparliamentary language! In any event, who ever gave you power to judge?

Mr. Ogur: Mr. Speaker, Sir, the Assistant Minister should understand how grabbers behave. We are now talking about the third person and the Assistant Minister has called him "clean". He is not clean! The theft started from the first person and that piece of land belongs to the person who owned it before it was stolen.

There is no other piece of land to be given to the thief.

(Laughter)

Mr. Speaker, Sir, the matter has not been solved. The theft has not been realised to have started from one end and it is now being treated like it never happened.

Mr. Speaker: I do not know whether the Assistant Minister understood you. I certainly did not. You should approach him now. We need to make progress.

Mr. Ochilo-Ayacko: On a point of order, Mr. Speaker, Sir. The Assistant Minister has told this House that he is satisfied with this compensation when his officers who sit in the hospital's Board have written numerous letters of protest.

Is it in order for the Assistant Minister, who sits here in Nairobi, to contradict what his very officers are doing on the ground? They are not satisfied. Is it in order for him to come and mislead the House that the Ministry is satisfied with the compensation when his very officers have written letters of protest?

Dr. Machage: Mr. Speaker, Sir, on the contrary, the answers I have come from the same officers the hon. Member is accusing. I think they are good answers and it is wise for us to have both institutions grow. Let us put our personal differences or interests aside on this issue. To have a school being developed in your constituency and at the same time a hospital gets enough land for

development and to me that is okay.

Question No.315

GOVERNMENT POSITION ON IMPORTATION OF
LEFT HAND DRIVE VEHICLES

Rev. Nyagudi asked the Minister for Trade and Industry what the Government's position on the importation of left hand drive motor vehicles is.

The Assistant Minister for Trade and Industry (Mr. Miriti): Mr. Speaker, Sir, I beg to reply.

The Government's position on the importation of left hand drive motor vehicles is that they are prohibited imports that must not be allowed into the country unless under special circumstances as outlined in the National Standards Act, Legal Notice No.78 of 2005.

Rev. Nyagudi: Mr. Speaker, Sir, the Assistant Minister has said that a left hand drive vehicle can only be allowed into the country under special circumstances. There are several left hand drive saloon vehicles in the country. Recently, one left hand drive vehicle, owned by a NARC(K) activist, Mr. Livondo, was allowed into the country.

Could the Assistant Minister tell us under what special circumstances that vehicle was allowed into the country?

Mr. Miriti: Mr. Speaker, Sir, I need to get the particulars of that vehicle, so that I may be able to answer the question.

Capt. Nakitare: Mr. Speaker, Sir, in 1971, I owned a Jaguar, left hand driven and I did not contravene the Traffic Act. What is the rationale of prohibiting left hand drive vehicles from being driven on Kenyan roads? For instance, vehicles from Rwanda are left hand driven.

Are you going to stop people with left hand drive vehicles from coming into Kenya, yet they come here for the purpose of doing business and promoting our economy?

Mr. Miriti: Mr. Speaker, Sir, everyone who has been living in Kenya knows that there have been so many accidents caused by the left hand drive vehicles. Not everybody who drives a left hand drive vehicle knows how to drive them on our roads which use the right hand drive vehicles.

Mr. Ahenda: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to insinuate that left hand drive vehicles cause more accidents than the right hand drive vehicles? What statistics does he have to support that?

Mr. Speaker: Does it mean that if we remove all the left hand drive vehicles there will not be any accidents in Kenya?

Mr. Miriti: Mr. Speaker, Sir, even if we removed all unroadworthy motor vehicles from our roads, there will still be accidents. Accidents are caused by human error and other various reasons. This is one of the many reasons which have been causing accidents in Kenya.

Rev. Nyagudi: Mr. Speaker, Sir, the Assistant Minister has said that he does not have the details of the vehicle I referred to. I can give him the details. It is a Hummer.

That notwithstanding---

Mr. Speaker: Rev. Nyagudi, are you just interested in one particular vehicle?

Rev. Nyagudi: Mr. Speaker, Sir, I want to ask a different question.

Mr. Speaker: No! No! Just for the benefit of the House and of the nation, are you telling me, Rev. Nyagudi, that you are only interested in a particular vehicle and not any other left hand drive vehicle?

Rev. Nyagudi: Mr. Speaker, Sir, I gave an example. It is just one of the examples. There are many others.

However, there are several left hand drive trucks on our roads. If left hand drive vehicles cause accidents, what is the Assistant Minister doing to stop these trucks from using our roads?

Mr. Miriti: Mr. Speaker, Sir, you are right! The hon. Member is interested in just one motor vehicle. This is the vehicle he has just talked about. Seriously speaking and with all due respect, everybody who has been living in Kenya knows very well that left hand drive motor vehicles have been causing accidents. We are not saying that there are no accidents caused by the right hand drive motor vehicles, but left hand drive motor vehicles have been causing accidents and that is why this order was introduced.

Capt. Nakitare: On a point of order, Mr. Speaker, Sir. Is the Assistant Minister in order to mislead the House that accidents on our Kenyan roads are caused by left hand driven vehicles? We have left hand driven trans-continental vehicles on our roads. Will he force other governments to follow our Traffic Act? Is he in order to mislead the House?

Mr. Speaker: That is an argument! You should have asked it as a supplementary question. Unfortunately, you did not. So, you suffer the consequences. It is not allowed.

Question No.368

RE-STARTING OF LAND ADJUDICATION
WORK IN KEIYO DISTRICT

Mr. Chepkitony asked the Minister for Lands:-

- (a) whether the Minister is aware that land adjudication work in Kerio Valley, Tambach Division in Keiyo District stopped some four years ago; and,
- (b) what urgent plans he has to re-start the exercise.

The Assistant Minister for Lands (Mr. Kamama): Mr. Speaker, Sir, I beg to reply.

(a) I am aware that adjudication work has been suspended in Kapterik "B" Adjudication Section due to conflict between two affected communities.

(b) Adjudication work in that section resumed after the suspension was lifted and the publishing of a complete register for Kapterik "B" was finalised by 15th November, 2006.

I thank you, Mr. Speaker, Sir.

Mr. Chepkitony: Mr. Speaker, Sir, I am not satisfied with that answer. That is because the Assistant Minister is only referring to one adjudication section. There are other sections called Kaptum and Kapchelal, where there is nothing going on. Could the Assistant Minister tell this House about these other sections?

Mr. Kamama: Mr. Speaker, Sir, it is true that, that division has two adjudication sections. The first one is Kapterik "B" and I have explained and given the true facts of the obtaining situation. But for Kaptum, I want to confirm that, that section is under demarcation. To date, we have demarcated about 2,328 plots. So, that is the progress and, very soon, people are going to get their proper documents.

I thank you, Mr. Speaker, Sir.

Mr. Karaba: Mr. Speaker, Sir, given that Kenya has been Independent for the last 45 years, and title deeds are very important security assets for residents, what steps is the Ministry taking to make sure that all the areas that have not been adjudicated so far are adjudicated and title deeds issued to the residents?

Mr. Kamama: Mr. Speaker, Sir, we are fast-tracking the issuance of title deeds throughout the country. Like I said earlier, Coast Province has been given so many title deeds. We have actually issued about 30,000 title deeds. In Eastern Province, we have given out more than 30,000 title deeds. Our target is 100,000 title deeds this year. So, we are fast-tracking that process. Again, I

want to confirm to the House that the national land reforms are on course and very soon, you will be hearing much more about what we are doing in that programme.

I thank you, Mr. Speaker, Sir.

Mr. Sambu: Mr. Speaker, Sir, in carrying out land adjudication, two different persons may have conflict over the boundary or something. If they go to court, it stops the whole adjudication section. I have a case like that.

Could the Assistant Minister assure Kenyans that if there are two people with a problem, it should not affect the whole adjudication section? They should go ahead and issue titles to the rest of the other sections if they are not affected by the case.

Mr. Kamama: Mr. Speaker, Sir, those concerns are actually being taken seriously by the Ministry. At least, in areas where we do not have objections, we will make sure that people are assisted. But where we have court cases or court orders, we will have to actually comply with them. As a Member of Parliament, that is the price you must pay for passing laws in this House. I thank you, Mr. Speaker, Sir.

Mr. Speaker: Last question, Mr. Chepkitony.

Mr. Chepkitony: The Assistant Minister has purposely left out Kaptum and Kapchelal sections. Work was still going on in those sections. Could he tell this House why the work was stopped there and when it will resume in that particular section and other adjudication sections in Keiyo Valley?

Mr. Kamama: Mr. Speaker, Sir, I am actually not aware about Kapchelal. But I am only aware about Cheriret, Rimoi and Kabulwo/Kamogichi adjudication sections which are yet to be declared. So, very soon, you will see a lot of work being done in those specific areas. But I am not aware about Kapchelal. Thank you, Mr. Speaker, Sir.

Mr. Speaker: Very well! That is the end of Question Time. Mr. M'Mukindia, you wanted to remind the Minister for Foreign Affairs about something?

Mr. M'Mukindia: Thank you, Mr. Speaker, Sir. As you may remember, some three or four weeks ago, I stood here and requested the Minister for Foreign Affairs to give a Ministerial Statement regarding the security of Kenyan MPs who are also Members of the Pan African Parliament in South Africa.

Mr. Speaker, Sir, we also requested that the Minister also covers the security of Kenyans who visit South Africa. As you know, several MPs from this House have been robbed in Johannesburg while on their way to the Pan African Parliament. The Minister has not yet come back to the House to issue that statement.

Mr. Speaker: I do not see him and I do not see his Assistant Minister either! Maybe, Your Excellency can remind him?

Next Order!

Mr. Mwanicha: On a point of order, Mr. Speaker, Sir.

Mr. Speaker: What is it?

Mr. Mwanicha: Mr. Speaker, Sir, this issue of absence of Ministers from the House is becoming very serious. I remember that you even wrote to the President to express your concerns and those of the House in general.

It is very frustrating when we are discussing the Budget, and there is no Member of the Government to listen to us. An example was this morning. In fact, it was almost heading to a vote of no confidence--- I mean lack of quorum. It is a talking shop! We can sit here and there is-- There should be, at least, one person from the Government to listen to our sentiments. These are very serious sentiments, Mr. Speaker, Sir!

Thank you.

Mr. Speaker: I think you are narrowing it. I would expand it. As the person sitting on the

Chair, since this process of the Budget began, I am completely dismayed by lack of interest by the whole House. There is actually emptiness in all the Benches on all sides. If you do not believe me, wait until I call that Order and see what happens!

Next Order!

COMMITTEE OF WAYS AND MEANS

(Order for Committee read)

MOTION

THAT MR. SPEAKER DO NOW
LEAVE THE CHAIR

(The Minister for Finance on 14.6.2007)

*(Resumption of Debate interrupted
on 27.6.2007)*

(Fifth Day of the Budget Debate)

Mr. Speaker: Who was on the Floor? It was hon. Macharia Mukiri. You still have four minutes to go. You have the Floor. Could I just have a general view of interest? Any Members interested to contribute after him?

*(Several hon. Members stood up
in their places)*

Okay! That is high! Very well. Proceed, Mr. Mukiri.

Mr. Mukiri: Thank you, Mr. Speaker, Sir. Now that the Minister for Finance is here, I would like to reiterate that we are happy because he has put in some money to salvage the pyrethrum industry. But I wish to tell the Minister that, that money is not enough. That is an industry that has been mismanaged. It is like a business and the Government needs to invest in it. That way, it can go back to the earlier years where it was a big foreign exchange earner for this country. I hope the Minister will, this time round, look for money to salvage that industry.

Mr. Speaker, Sir, I was submitting on the issue of our universities.

Mr. Speaker, Sir, universities are supposed to be centres of excellence. Our universities are supposed to be centres for research. The Government should think seriously about putting more money in the universities. If you go to the universities today, the infrastructure is completely broken down and our lecturers are not teaching the way they used to teach before because they keep on going for contracts outside. That is why you are seeing that there are so many affiliate colleges that are coming up in the universities. That is because the universities are suffering from budgetary constraints and they are not able to meet their needs. That affects the value of education. They are devaluing our education by opening up several affiliate colleges. I hope that the Government will address the issue of our universities because if we do not do that, then our education standards will fall down and will continue going down.

Mr. Speaker, Sir, I want to urge the Minister for Environment and Natural Resources to take the issue of planting trees seriously. I know that the Minister for Environment and Natural Resources is very busy because he holds two dockets. If you come to my constituency, there are areas where there was forest cover before but the trees were harvested. Unfortunately, for the last

four years that I have been in Parliament, I have not seen any action. The Minister should undertake, as his basic duty, to increase the forest cover in this country. The forest cover has gone very low and nothing is being done. They should take cue from the persons who are in charge of the Nairobi City Council (NCC). We are seeing a lot of afforestation going on in the City of Nairobi but outside Nairobi, nothing is happening. We hope that the Government will take the issue of tree-planting seriously and that the forest cover is going to be increased.

Mr. Speaker, Sir, regarding the issue of courts, there seems to be a big problem in the judiciary, and especially in the handling of cases. I think that it is time that the Government now tried to give the judiciary a separate budget so that they are able to charge their needs directly to the Consolidated Fund. There seems to be a lot of problems. There are so many cases which are not going on because of the problem of the magistrates not proceeding with matters because of frustrations. The Government promised that it was going to increase the salaries of the magistrates but that has not happened. Therefore, what has been happening is that, when you go the court in the morning, magistrates keep on adjourning matters. That is causing a lot of injustice to the people of this country.

With those few remarks, I beg to support.

Mr. Maore: Mr. Speaker, Sir, thank you for the opportunity to say a few words about this year's Financial Statement. I wish to commend the Minister for Finance for his second Budget. Building on last year's Finance Bill that came in this House and later became an Act, I do notice that there are repetitions of the pitfalls that befell the Minister last year. I have noticed the issue about the Central Bank of Kenya (CBK) where the Minister is kind of having a confrontation with the House as a result of his views. He brought the issue of the chairman and the House rejected the idea of creating a CBK chairman. This year, he has brought it again. I do not know whether he thinks that we have amnesia and we will just ignore it and allow him to get away with it.

The only way out of some of these hiccups is that the Minister should work with the Departmental Committee for Finance, Planning and Trade. Let him talk with them and negotiate, so that when he comes, we do not see what we saw last year. We had the Finance Bill actually mutilated and a lot of money that he intended to raise was rejected. The proposals were actually rejected by the House. This is not a tradition of Treasury and this Parliament. I just wanted to bring out that observation.

Mr. Speaker, Sir, the other issue that could be of interest to this Government is the issue of a company collecting money from villagers selling their eggs, vegetables and chicken, and also from the high and mighty; Safaricom. They rake in Kshs17 billion and we cheer the company as if they have done wonders. That company is exploiting Kenyans.

Mr. Speaker: Millions or billions?

Mr. Maore: It is billions! It is Kshs17 billion! This is a small economy where no single company should be allowed to collect that kind of money. If it was in Europe, there would be an inquiry of even illegal charges of profiteering if not racketeering. I would wish to invite the Minister to think in the interest of the ordinary Kenyans who are being overcharged.

Mr. Speaker, Sir, for the last seven years, there has been a problem in introducing a third mobile phone company. It cannot be introduced because Government officials have been intertwined with the interest in Safaricom Limited. The same Government is not even able to resolve the ownership issue of the same company. So, it is wise that one of these days we would get someone awakened to the misfortune of the exploitation by that company. The other issue is that this country has been witnessing the horror of murders due to insecurity in this country. The *Mungiki* incidents have not been more shameful to this Government than the circus displayed by the Minister for Tourism and Wildlife and his Assistant Minister on television. The shame, ridicule and the obscene session that we were entertained to, we deserve an apology as Kenyans.

We may be inviting our children to be switching off television when they see some Ministers on television because we do not know what they are going to say.

Mr. Speaker: Mr. Maore, could you just look at the Galleries which have children? You will have noticed that in the last few weeks or months, the Kenyan public do not want to come to the Galleries any more. Do you know why?

Mr. Maore: Mr. Speaker, Sir, it is because there has been lack of serious issues being exchanged and the pettiness with which a whole Minister can go to a public *baraza* and start stripping his Assistant Minister and the Assistant Minister uses the same advantage to even strip himself in the process of stripping the Minister! These things need to be stopped. We need discipline, order and dignity among Government Ministers.

The other issue that I needed to raise is the issue of money meant for roads. We are being told of Kshs60 billion that is going to be allocated to the roads sector. My concern is that I have seen, over the years, that the period between now and January next year is just about five months. Between this period, it is not possible to go and award contracts because you have to start with the design. You allocate money for the design and then you start the tendering process. By the time you finish the entire process, you will find that financial year might come to an end with almost 70 per cent of the money unused. So, I wish we had a situation where we addressed the issue of the procurement process, in terms of the infrastructure and money allocated in a certain financial year. If you consider the fiscal calendar, we do not have a provision where we re-invest the money allocated for roads, so that when the financial year ends, we have the money rolling over and adding more. Instead, it goes back to the Treasury and it is re-allocated. If a road project was allocated money, it goes back to the Treasury at the end of the financial year. I am sure there are many hon. Members here whose roads, in their constituencies, were allocated money in the last financial year, but they are shocked to find that, that money is not there and the same roads have not been allocated money the following year, because there is no capacity in the Ministry of Roads and Public Works to have the resident engineers to do this work. This is because they are being required to outsource, through advertising. After advertisement, it would take 28 days before shortlisting and awarding is done. It is a very long process. We would like to be sure that the Kshs60 billion that has been allocated for the roads sector will be used on the intended purposes, within the limited time of the fiscal year.

Mr. Speaker, Sir, the other issue concerns the way we create new districts. I remember, in November, 2005, the Government announced the creation of 34 new districts. We raised the issue of the creation of about 8,000 new bureaucracies in a single financial year, yet, the Government insists that it wants to limit Government expenditure and have a leaner Government, so that we can have efficient services. There is a difference between a bloated and efficient bureaucracy, and the cost is enormous. When the Government wants to have populist pronouncements, it is wise also to know that the same pronouncements will be matched with the money, at the expense of the taxpayers, which is as a burden.

Mr. Speaker, Sir, this Government took over power in 2003 with a strong commitment to zero-tolerance to corruption. For the first six months, citizens were arresting public officers who were believed to be corrupt. They used to take them to police stations. But somewhere down the line, the rain started hitting us. Today, at any police roadblock you will find policemen, openly, collecting Kshs20, Kshs50 or Kshs100. I am appealing to the Government to revisit the issue of corruption and, specifically, stop police officers from collecting money at roadblocks. If this is done, we will restore dignity. If corruption happens in the office, it is not in the open. It is punishable if there is a complainant.

(Loud consultations)

Mr. Speaker: Order! Those talking very loudly in that strange language, as if they are somewhere out there, please, may I remind you that you are in Parliament! So, please, first, keep your tribal language out of here. Secondly, please, give the hon. Member a chance to speak and be heard.

Proceed!

Mr. Maore: Mr. Speaker, Sir, I would like to cite the example of Maua Town. As you exit Maua Town, there is a very open "toll station" set up by the police. When vehicles carrying *miraa* leave the town at about 1.00 p.m., you will find almost six police officers stopping every vehicle. But by 6.00 p.m. or 7.00 p.m., the place is deserted. This means that they are not there to restore security and order on the roads, but to extort money from people. We have complained about this issue, but the only thing that is done is to change officers. However, immediately, a new cartel is formed and it becomes well-established. The way the police officers extort money from vehicle owners, is even more vicious than the way the *Mungiki* sect does it. Therefore, I am asking that practice to be stopped.

Mr. Speaker, Sir, with those few remarks, I beg to support.

Mr. O.K. Mwangi: Mr. Speaker, Sir, I would like to take this opportunity to thank the Minister for bringing a well-thought-out Budget Speech.

But, despite the fact that a lot of money has been allocated, almost double in every docket of the Government, it is sad to look at the manner in which this money is being spent on the ground. I am, particularly, concerned about the operations of the Ministry of Roads and Public Works. About Kshs22 billion has been set aside for development in the Ministry of Roads and Public Works. But when you go to the ground, you will find that after money has been allocated to a given project, either that project takes too long or it is done in a very shoddy manner. Mainly, you will find that the money that is allocated for that project will never be used to complete the project. I am perturbed to note that a lot of money that is allocated to the Ministry of Roads and Public Works, is left to the District Roads Engineers (DREs). Once money is allocated, particularly, in the District Roads Committees (DRCs), it is left to the DREs to get contracts or procure whatever needs to be procured. At the end of the day, you will find that only half of the job is done. I am calling upon the Ministry to look at the manner in which the money is expended on the projects, because a lot of it is going to waste. I believe this is happening because of improper supervision and corruption within the districts.

I remember a case in my district where a major road was allocated money, but the construction is taking very long. When we go to the DRE, we are told that the money is finished. There is a bridge there which has been under construction for the last five years. Everytime it is allocated money, little work is done and then the contractor disappears. About two months back, I was told that the contractor was coming to finish the project. But the contractor came and only put a cover on the bridge and left. Even the iron bars which were kept there were left for people to pick and steal. I am, therefore, very concerned. I am actually asking the Minister to look into this issue, because I think a lot of waste is taking place.

Mr. Speaker, Sir, the other area which the Minister for Finance should look into is the Fiscal Policy, particularly, matters touching on the commercial banks that we have in the country. You will find that commercial banks are, actually, collecting a lot of money from the public, yet, there is very little payback. If you take a loan - and I believe that there are very many Kenyans who are taking loans from these banks - you will be charged exorbitant interest rates.

Mr. Speaker, Sir, by any chance, if you have got a little money that you want to deposit in your savings account in the bank, you will receive paltry returns of between 1 per cent or 2 per cent as interest. We know banks charge between 16 per cent and 20 per cent as interest rates on a loan.

It is a pity that when a Kenyan deposits money in the banks, the returns are almost negligible. I, therefore, believe there is something wrong in the fiscal policy. The Minister for Finance must supervise the operations of commercial banks in this country. I think there is lack of control in the operations of these banks.

Mr. Speaker, Sir, under the Central Bank Act, the Central Bank of Kenya (CBK) is mandated to supervise the operations of the commercial banks. That is why I am asking the Minister to take a step towards controlling the operations of these banks. At the end of the day, we find that they are making a lot of profits, while Kenyans are suffering.

Mr. Speaker, Sir, the other area of concern to me is the Ministry of Environment and Natural Resources. This Ministry is allocated a lot of money, but our forests, especially in the countryside have been depleted. In the areas where tea is grown, factories use wood fuel. This has caused a lot of depletion of our forests. I remember there was one time the Minister for Energy told us here that he was going to subsidise oil fuel, so that tea factories could use it and we save our forests. I expected the Budget to address this problem because it is touching on almost every area of the economy. When our forests are depleted, we will not have enough rains. Without rains, ours will be an arid or semi-arid country. At the end of day, we may be left bare without forests covering our land mass. We know the backbone of our economy is agriculture. The environment is one very serious area that the Government must address. If possible, I would urge the Government to subsidise the oil fuel and save our forests. A lot of wood used in tea factories.

The Ministry of Agriculture has been allocated little more money in this Budget. However, in my opinion, this money is not enough if we are going to depend on agriculture as the mainstay of the country. I believe we should allocate much more resources to this Ministry. We have now allocated them almost Kshs7 billion. Although it is double the amount of last year, but it is not enough.

Mr. Speaker, Sir, I am particularly concerned with the awakening of the coffee growing areas. We all know coffee growing had been devastated and almost depleted in this country. I realised that the Ministry has re-established the Coffee Development Fund (CDF). However, its operations leaves a lot to be desired because the requirements are very stringent. Some of these requirements are that when a farmer borrows from the CDF, he must have ten guarantors who must themselves also be farmers. There is also a requirement that should one farmer default, instead of the management of the CDF following up that particular farmer, they follow those farmers who guaranteed him. That alone has barred many farmers from accessing these loans. If they cannot access this loan, then there is no way they will revive coffee growing in this country. I fear that, by and large, if the Government will not intervene in this and do something, then coffee growing will be history in this country. I hope the Government will look into this issue seriously. I believe by reviving coffee growing, our economy can tremendously improve. I thank the Government that it is doing all it can to reawaken the economy, but, definitely, if the agriculture sector will not be looked into seriously, then it will be bad news for our country.

Thank you, Mr. Speaker, Sir, I beg to support.

The Minister for Roads and Public Works (Mr. Nyachae): Thank you, Mr. Speaker, Sir, for giving me this opportunity to make a few remarks on this subject which is before us. I think it is very important that when we are debating the Budget, we take into account the fact that Kenyans look upon us to give contributions that will assist the Minister for Finance and the other Ministers who are managing the funds that have come from the taxpayers. They expect our contributions to be worthwhile.

Mr. Speaker, Sir, listening to statements from hon. Members in this House, quite clearly, we are pushing ourselves to a direction where we will end up as grumblers; leaders who come here and say nothing good about the utilisation of the funds that taxpayers pay. We only come here to

complain and yet one sees so many services being rendered out there. It is always true that there is no area of our lives where everything is perfect and complete. We should give encouragement and say that this has been done and we need the following also to be done. However, to be sitting here as hon. Members, employees of the Kenyan taxpayers and we only come here to complain, I think it is just not what is expected of us.

Mr. Speaker, Sir, having said that, I would like to mention something about insecurity in the nation. I think, much as we, who are on the Government side, are very concerned about the security which is worrying everybody in the country, we need help from everyone and each Kenyan. When we start talking about our youth some of who we call *Mungiki* and so on, the truth of the matter is that these are not people who have fallen from the sky. These are people born among us. They live with us in our villages and they do not live in forests. They live in villages where we also live.

Mr. Speaker, Sir, for us, who come from those villages, to pretend that we do not know what is going on, is cheating Kenyans. We should be feeling concerned. Sometimes I feel very disappointed when I see hon. Members complaining about the security personnel. Those who complain come from the same areas where these problems are. What contribution have such hon. Members made apart from complaining against the police? What contribution have they made apart from complaining against the Ministry in charge? The hon. Members come from the same villages. What have they done to help? This is a responsibility of parents as well as that of leaders. It is a responsibility for all of us. All that we are now doing is to use guns, and we are very busy reporting. Almost every three hours, the radio stations tell us: "So many gangsters have been shot down somewhere and three of them have died. Four gangsters died in such and such an area. Ten gangsters died last night." What is it that you are telling us? Are you telling us that we are unable to solve the problem ourselves, and that we are only looking for ways of just shooting to kill? How many people are you going to kill in order to deal with this problem? We are told that some of these youngsters are in their hundreds. Now, are you going to shoot all those hundreds of youths in order to solve the problem? We need to look into this matter, review our positions and take it upon ourselves that we are all responsible for sorting out this problem.

Mr. Speaker, Sir, these days, if a member of a family goes out, I keep on monitoring through the mobile to find out whether she is all right, because you never know what could happen on the way, until somebody comes back into the house. Even while in the House, if a dog runs around the compound, you start wondering whether some thugs have come into your compound. Now, are we, really, going to say that we are going to live in a society where we are all feeling insecure? We had better think about these matters. I have seen some hon. Members of this House come here and tell us that they were either abducted, or whatever happened; they went somewhere and there was some oath-taking. When the issue is followed up, they start giving us other stories. That is not straightforward leadership. If you start a story, then tell the truth about what you know and what you do not know. So, as far as I am concerned, that is not leadership.

Let us talk about whatever else we complain about. We complain about agriculture and what the Ministry is doing out there. We, Members of Parliament, come from those rural areas, where agriculture is practised. Some of us are in a position to attend the District Agricultural Committees. What contribution do you make when you attend District Agricultural Committee meetings? Do you have to complain to the Minister here? Is he going to sit in your home district and in your constituency to correct things? What contribution have you made yourself in order to strengthen the Minister's role? It is important that we also play our roles.

Mr. Speaker, Sir, I hear some hon. Members coming here to complain about roads. They say that the District Roads Engineers in their home districts have been allocated money but they have not done certain things. There is no money which is given to District Roads Engineers. The

money allocated to the District Roads Committees is there. The District Roads Engineer is only a technical man. He is there to advise the District Roads Committee. I would like to know an hon. Member who is not a member of his home District Roads Committee. How do you become a member of the District Roads Committee and you do not do anything there such as raise issues and only come here to grumble? For those of us who have been given the privilege to manage whatever portfolio we have been given, if you give me genuine evidence, I will take action. We do not condone weaknesses. We do not condone deviation or wastage of funds. People just come here to complain without giving any evidence, and I just listen and wonder whether I should bother the Speaker by raising points of order. So, I say: "All right; you go on wagging your tongue until you finish". It is of no value for you to come here and complain about a matter that was discussed at your District Roads Committee. You see that the District Roads Engineer is not doing his work, but you do not talk to him, and then you come here to complain. What do you expect me to do?

Mr. Speaker, Sir, let us face it. Even on the question of managing the Budget, let us understand that taxation is not a very pleasant thing for any one. It is not a pleasant thing for me to pay taxes. When the Ministry concerned allocates the monies collected, it must take into account the priorities of Kenyans. It is not, simply, a matter of saying: Money is available. We can now allocate it in this or that manner for either political expediency or whatever. Let us look at what is needed. Agriculture needs more money. Health needs more money. Roads need more money. Security needs more money. So, the money collected should be utilised in the right way. However, sometimes you find that money is allocated in such a manner that, I am told, I cannot get it. I find it very difficult to utilise some of the money I am given, when I know that it is inadequate. Even if I give out a tender, it is going to be a non-starter.

So, we need to help one another. All that I am appealing is that our colleagues at the Treasury, in future, could they take a bit of time to consult and assess the priorities before they come here and give us their story?

Mr. Speaker: Mr. Nyachae, your time is up!

The Minister for Roads and Public Works (Mr. Nyachae): Thank you, Mr. Speaker, Sir.

Mr. Ochilo-Ayacko: Thank you, Mr. Speaker, Sir, for giving me an opportunity to speak on this very important issue. I am very happy to be speaking immediately after the Minister for Roads and Public Works. I had an occasion last week to plead with the Minister for Roads and Public Works to fix a bridge in my constituency. The reason as to why I spoke to the Minister is that I also had occasion to attend my District Roads Committee, and the answer I was given was that funding was not available. I believe that the mere fact that Members of Parliament attend District Roads Committee does not, in its very nature, avail funds to those committees.

Now that this House, last week, gave some funding to the Treasury to fund the same Ministry, I will be very happy if the Minister for Roads and Public Works funds Nyarach-Oboke-Kamegi Road, so that the people of Rongo District can link up with the people of Homa Bay District. There are other problems that Members of Parliament encounter in respect of roads in this country. Such problems must be addressed by this House, and not necessarily by those Committees. I think this is also a problem that is visited on the Ministry of Roads and Public Works by the Treasury. Most of the time, the Treasury does not avail money to the Department of Roads to fix roads on an emergency basis.

Mr. Speaker, Sir, my district and the neighbouring district grow sugar-cane, mill it and supply sugar to this country. It is a known fact that there is a deficit of sugar in this country. The Kenyan people demand sugar and consume it to such an extent that the millers in this country cannot supply. Every year, within the month of either February or March, there is normally a window through which sugar is imported for general consumption in this country. There was nowhere in the Budget Speech and in the commitment of the Government funding that is intended

to put up additional sugar factories, not even funding that is intended to expand the existing sugar factories so that this country becomes self-reliant in sugar production.

Mr. Speaker, Sir, a country that cannot feed itself cannot pride itself that it has some growth. We are basically a deficit country in terms of food production. So, when we hear some Ministers of the Government saying that this country is doing well, we wonder. If you cannot feed yourself and if you have to import food, because sugar is food from other parts of the world, you cannot brag to any person other than people who do not understand the true merit of bragging, that you are a country on the path of growth.

This country has enormous potential in terms of growing, milling and consumption of sugar. What happened to Ramisi? Ramisi in Coast Province that was promised by our dear Government about six years ago? What happened to South Nyanza Sugar Company? It was proposed for expansion two-fold. We are at the tail end of our parliamentary tenure, this Government is at its sunset hours and there is not a single mill in terms of sugar production that has been brought into the country.

Mr. Speaker, Sir, Busia Sugar Company was a commitment made by the previous Government and a commitment assumed by the present Government and there is nothing. The Kenyan public are very much willing to buy sugar. They are actually buying at any price but nothing doing from the part of the Government that is enjoined towards mobilisation of resources, so that factories can be put up.

As if to add insult to injury, the Minister for Finance took away the levy that was being used to regulate the importation of sugar in so far as white sugar is concerned. I am very suspicious of the intention of the Minister for Finance. Last year, the Minister attempted to sneak in a similar amendment and this House was very hostile. I wonder what amnesia the Minister suffers from, because he seems to have forgotten that his Finance Bill was mutilated by this House and rejected on account of the levy that he had attempted to remove. That levy that is imposed on white sugar is supposed to protect the already fragile and delicate sugar sub-sector. Mumias, Chemelil, SONY and other sugar companies in this country produce sugar for industrial use.

Mr. Speaker, Sir, if they produce sugar for industrial use and they are enjoined to pay that levy, and sugar for industrial use that comes in by way of imports is allowed to come in without that levy, I think somebody is saying something that does not add up. I suspect that somebody somewhere is trying to stash money in some banks for the next coming General Election. Sugar as a commodity, has been used invariably by Governments or administrations in the past to fund elections, and I suspect that somebody is not saying the truth on this matter because he would like to benefit from sugar that is being imported into this country.

In fact, news in this country indicated that, as the Minister was smiling and citing some story told by a 13-year-old boy, there was already sugar at the Port of Mombasa and nobody from that side of the Government has come up and denied that allegation. I suspect that the removal of that levy was intended to benefit that person who had brought sugar at the Port of Mombasa, and that person must be smiling at the expense of many farmers and consumers of sugar who depend on that industry.

Mr. Speaker, Sir, you know very well that majority of Kenyans live in rural areas.

[Mr. Speaker left the Chair]

[Mr. Deputy Speaker took the Chair]

In that Budget Speech, there was no attempt, plan or design to set up any agri-based industry to employ these majority of Kenyans who live in the rural areas.

The Assistant Minister for Local Government (Mr. Muchiri): On a point of order, Mr. Deputy Speaker, Sir. The hon. Member who is speaking now, is alleging that somebody was smiling. I would wish to know his name and, perhaps, identity card number so that the Government can take action.

Mr. Ochilo-Ayacko: Now, Mr. Deputy Speaker, Sir, that is definitely not a point of order. But the brand new Assistant Minister knows very well that a lot of sugar, about 3,000 metric tonnes, was lying idle at the port awaiting the Minister's waiver of that duty. Whoever that person was, became a millionaire overnight and it is not my business to furnish the Government with such information, unless this Government is abdicating its responsibility because that sugar was there and---

The Assistant Minister for Local Government (Mr. Muchiri): On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order, Mr. Muchiri! That is a point of argument. I mean, from where do you want him to get that identity card number?

The Assistant Minister for Local Government (Mr. Muchiri): Mr. Deputy Speaker, Sir, I wish to ask the hon. Member to substantiate his claim about that particular person, who is a millionaire.

Mr. Ochilo-Ayacko: Now, Mr. Deputy Speaker, Sir, unless the Assistant Minister is living in another country, that information is available at the Port of Mombasa, controlled by the same Government. The people who benefitted from that are known. Under the Standing Orders, I am not obliged to substantiate. The hon. Member can find out from the people who are concerned.

Mr. Deputy Speaker, Sir, I was saying, before I was interrupted by the hon. Member that, that Budget basically---

The Minister for East African Community (Mr. J.K. Koech): On a point of order, Mr. Deputy Speaker, Sir. It appears that the hon. Member has some very useful information and he has made a very serious allegation that there is somebody who has become a millionaire overnight. This is misuse of office. I think the hon. Member should substantiate so that it is easier to follow and, of course, tell the people the truth. If we are hon. Members in this House, we cannot have allegations. Let us be brave enough to substantiate.

Mr. Deputy Speaker: Order, Mr. Ochilo-Ayacko, do you have information about what you are saying?

Mr. Ochilo-Ayacko: Mr. Deputy Speaker, Sir, I am surprised that the Minister for East African Community is not aware of the fact that sugar was lying at the Port of Mombasa and that there is only one Port of Mombasa---

An hon. Member: Toboa!

The Minister for East African Community (Mr. J.K. Koech): On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Order! Let the hon. Member finish what he is saying.

The Minister for East African Community (Mr. J.K. Koech): But he is not substantiating. He is going round---

Mr. Deputy Speaker: Order! Order! Order! Let the hon. Member go round! He is at liberty to go round.

The Minister for East African Community (Mr. J.K. Koech): But---

Mr. Deputy Speaker: Order! Order, Mr. Koech!

Mr. Ochilo-Ayacko: Now, Mr. Deputy Speaker, Sir, you can see the excitement that sugar is generating in this House.

Mr. Deputy Speaker: No, Mr. Ochilo-Ayacko, you address the point raised by Mr. Koech.

Mr. Ochilo-Ayacko: Now, Mr. Deputy Speaker, Sir, you can see the excitement that sugar is generating in this House. My interest in this matter is that the removal of the levy by the Minister for---

The Minister for East African Community (Mr. J.K. Koech): On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Just a minute, Mr. Koech!

The Minister for East African Community (Mr. J.K. Koech): On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Mr. Koech, you will be patient! You will be patient! Mr. Ochilo-Ayacko, you have made an allegation. You have been challenged to substantiate.

It is either you substantiate or you withdraw. Give us the facts!

An hon. Member: A 13-year-old!

Mr. Ochilo-Ayacko: Now, Mr. Deputy Speaker, Sir, I do not understand the challenge that the Minister had made me to substantiate. But the fact of the matter is that---

Mr. Deputy Speaker: No, Mr. Ochilo-Ayacko, you know you told him that the papers are at the Kenya Ports Authority; the names are there and so on. Which means that the papers are there. Since you are making that allegation, you ought to have made effort to obtain that information so that when you make the allegation and you are challenged, you lay the papers on the Table. But if you have not done so, obviously, you have no proof.

So, since you have been challenged, you should just withdraw and continue.

The Minister for East African Community (Mr. J.K. Koech): His time is up!

Mr. Deputy Speaker: Order, Mr. Koech! I told you to relax and be patient. I am dealing with the matter, you cannot see?

Mr. Ochilo-Ayacko, it does not matter whether the time is up, I am still dealing with you.

Mr. Ochilo-Ayacko: Now, Mr. Deputy Speaker, Sir, I did not---

Mr. Deputy Speaker: Order! You do not have the substantiation, do you? So, it is only fair that you withdraw!

Mr. Ochilo-Ayacko: No, Mr. Deputy Speaker, Sir, I did not mention any individual complaining, unless it is Mr. Koech. But since I did not mention and I do not have the papers now, I beg to withdraw. But he seems to be very, very much concerned about it.

The Assistant Minister for Planning and National Development (Mr. Serut): On a point of order, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: What is the point of order about, Mr. Serut?

The Assistant Minister for Planning and National Development (Mr. Serut): Mr. Deputy Speaker, Sir, the Member has said very clearly that he did not mention anybody. But the import of what he said is that the Minister actually colluded with that person at the Port of Mombasa. That is what he meant, because he was saying he was waiting for the Minister to make that pronouncement.

Mr. Deputy Speaker: Mr. Serut, that is your own interpretation. The Chair heard Mr. Ochilo-Ayacko very well; in any case, whatever he said, he has withdrawn. So, it is not there.

So, I recognise Mr. Okioma.

Mr. Mwanicha: Thank you, very much, Mr. Deputy Speaker, Sir. I also want to take this opportunity to make my contribution towards this Financial Statement.

Mr. Deputy Speaker, Sir, there is a lot of talk going on, even in the villages about this Budget. What is coming out is that despite the fact that the Minister and Government are saying that the economy has actually improved, the trickle down effect is not getting to the common man. Just before the Budget, the price of a 50kg bag of cement was Kshs560. As we speak, after the

Budget, the price of cement shot up to Kshs860. Similarly, half litre of paraffin was Kshs27, but after the Budget, it is now Kshs57. The same can be said of the price of sugar and soap.

Mr. Deputy Speaker, Sir, we appreciate what the Government is doing to collect taxes, and ensure that there is development in the country. However, it appears that there are unscrupulous businessmen, who are taking advantage of the tax increases and levying excessive taxes, which is punishing the common man. It is upon the Government to ensure that the increase in prices of all the necessary commodities, of all the basic items reflects only that increase necessitated by tax. Otherwise, it appears that the common man is not happy with this Budget, although I can hear many people, including many Members of Parliament, saying it was a good Budget.

Mr. Deputy Speaker, Sir, the Government must ensure that it puts in place systems to check all those unscrupulous businessmen who are exploiting the common man.

Mr. Deputy Speaker, Sir, as we speak, this is the second Budget with the Item of the Youth Enterprise Development Fund. Up to today, the youth have not got the funds. There is something grossly wrong. Could the Minister in charge put all systems in place to ensure that the youth get these funds, otherwise they are already giving up. They are thinking they were being taken for a ride by the Government.

Mr. Deputy Speaker, Sir, I laud the fact that the Government set aside funds for the women. That, definitely, is laudable. However, we would like to urge the Government to ensure that, taking the experience from the Youth Enterprise Development Fund, the funds for the women do not take as much time as it has taken for the youth funds to be released.

Mr. Deputy Speaker, Sir, most of the people talking about youth funds, including the Ministers, and all are men, are forgetting the creation of a Men Enterprise Fund. We hope that in the next Budget there is going to be a Men Enterprise Fund, so that the male folk do not feel that they have been left out.

Mr. Deputy Speaker, Sir, there was a provision for increase in the number of teachers. That is laudable. We urge the Government to move expeditiously to ensure that the teachers are employed. The problem in our schools now is over-enrolment. I have schools in my constituency with classes of up to about 70 or 80 pupils. So, an increase in the number of teachers is laudable, and we hope that this will be done as soon as is possible.

Mr. Deputy Speaker, Sir, on the free tuition in secondary schools, that is a good move by the Government. But small economies like Rwanda and Uganda, which have been at war for many years, are now giving free primary and secondary education. We hope that Government, in the near future, will actually eliminate payment of secondary school fees, at least, for the day schools, so that all those pupils who go through Standard One to Eight can continue to secondary school without fear of expulsion due to lack of fees. Otherwise, it is a good move by the Government; it is laudable and we hope that the Government will be able to give more.

Mr. Deputy Speaker, Sir, on roads, the Minister was saying that we stand here and keep on criticising. As we go round the country-side, there is a lot of road construction that is going on. But I would remind the Minister that there are certain roads that have actually collapsed completely. So, as they are repairing those roads, they could ensure that there is some patch-up repairs, so that the roads are passable. Otherwise, I can quote many road works that are going on. I personally think that there is need to laud Government on that move.

What is worrying me is that the money that goes to the rural access roads within the districts, in some of our areas, because of the heavy rainfall and the heavy loam soil, the little murrum that is put on the roads is washed away. Unfortunately, there is supposed to be compaction of the murrum, so that it is not easily washed away. I hope that in future, each district, or constituency, will get a means of compacting that murrum, so that it lasts longer. This could be okay in the dry areas, but in the high rainfall areas, I am fearing that pretty soon, we may be going

very far to get murrum for repairing our roads, and that is, indeed, very worrying.

In agriculture, the Government has done something about cotton. The Bill came to the House and the sub-sector, I think, has been given attention. There is attention to the sugar and maize sub-sectors. The farmers are being paid. This is good for the Government. But there is still a big problem with tea. The prices paid and the conditions of the farmers--- They have to wait in tea buying centres for leaf carriers to come and pick up the tea until very late. The Ministry needs to work out a system, along with the agency, to ensure that whenever mothers deliver the tea at the tea buying centres, ownership of the tea can change. Otherwise, as it is, the farmers have to stay there until midnight. They are told the leaf carriers will not come, the road is bad or the vehicles are spoilt, or something like that, and they have to come back the following morning to ensure that their tea is weighed. That is not good and there is need to change the system. An hon. Member said that forests are being depleted because of the use of firewood in tea factories. Those are the costs that go into the processing of tea leaves, thus making the farmers not to benefit. We are requesting the Minister for Finance to treat tea factories as duty free zones. He should treat them like some kind of Export Processing Zones (EPZs). After all, tea is mainly exported and very little is used locally. That way, taxes levied on inputs and machinery can be lowered to benefit the farmers. As it is now, farmers are feeling extremely cheated by using their land to cultivate the tea crop.

Mr. Deputy Speaker, Sir, on insecurity, the Government is doing a lot. We can see what is being done. But my worry is: As much as we need policemen to patrol our villages and towns at night, there are very many of them on the roadblocks dealing with traffic. It appears that the only secure item in this country is the vehicle, and not human beings!

Mr. Deputy Speaker: Order, Mr. Mwanicha! Your time is up!

Mr. Mwanicha: Mr. Deputy Speaker, Sir, with those many remarks, I beg to support.

The Assistant Minister for Housing (Mrs. Tett): Mr. Deputy Speaker, Sir, admittedly, as a country, we are presently doing as well as we could. That must be attributed not only to ourselves as leaders, but to Kenyans as a whole. Looking at this Budget, it is very commendable of the Minister to have touched on all spheres of life. We also attribute that progress to Kenyans because they have now adopted the motto: "A working nation", which was proclaimed by His Excellency the President. We have a long way to go to catch up with the more developed countries. But there is a lot of room for massive improvement. We are not saying that we have finished, but we have a long way to go. Definitely, we will get there.

Mr. Deputy Speaker, Sir, we must strive and invest more money in housing and education. That is not to say that other sectors must be ignored. Not at all! It simply means that, if we succeed in housing our people and educating our children, we will go a long way. Before this Government took over the running of this country, we had many children who had not seen the "inside" of a classroom. They were loitering all over the country because their parents could not afford school fees. There were almost 3 million children who were out of schools. That is a huge number. It is almost 10 per cent of our population. The number now is almost half of that. We are doing the best we can. If we do not offer education to our children, at the end of the day, they will go out and become thugs. They will turn to drugs and do many other things that could cause them to end up in jail or die. It is very important that we educate our children. Mr. Deputy Speaker, Sir, on the issue of housing, the Minister allocated a lot of money for upgrading our slum areas. We have to uphold the dignity of our people. In Kibera slums, for example, raw sewage passes through the doors of residents. We know that many diseases occur as a result of dirty environments. When people fall sick, medical expenditures become high. People do not go to work. Many other bad things happen in the slum areas. Therefore, upgrading of slums especially in urban areas is paramount.

Mr. Deputy Speaker, Sir, housing comes with patriotism and nationalism. That is why the Government must focus on housing. We have seen that many investors have invested heavily in the

housing sector in this country. The private sector has invested between Kshs20 billion to Kshs40 billion this year. But they have invested on the higher and middle cadres. We need to come down and invest in the lower cadres. The people who earn between Kshs4,000 to Kshs5,000 need to get proper housing that they can afford to pay per month. That is why we, in the Ministry of Housing, are asking the private sector to invest in the lower cadre. That will be apart from what the Government is doing. It is upgrading the slum areas so that, at the end of the day, our people live in dignity.

Mr. Deputy Speaker, Sir, if you visit slum areas, you will find that there are no toilets. They use the so-called "flying toilets". The era of "flying toilets" must come to an end. That is why the Minister has put in a lot of money to upgrade slum areas. Our partners like UN Habitat are also trying to help in upgrading the slums. We really appreciate their support.

Mr. Deputy Speaker, Sir, the tourism sector now earns the country a pinnacle of almost Kshs60 billion. That is a lot of money. That sector had totally collapsed. Many jobs were lost because tourists never came. There were no incentives for them to come. At the moment, tourism is really booming. That is enabling the Government to employ many people in the tourism industry. Even the private hotels are also employing many people. In the past, all those people did not have jobs. Many were sacked. As a result, the poverty rate in Kenya is declining because we have been able to employ many people in that sector.

Mr. Deputy Speaker, Sir, the building sector employs many people. When the private sector is investing almost Kshs40 billion per year, that is a lot of money. That goes to employ the people and help the *Jua Kali* artisans, who supply a lot of goods such as cement and so on. So, that sector helps the economy of this country.

Mr. Deputy Speaker, Sir, it is beyond doubt for most Kenyans today that the Government's Economic Recovery Strategy is working. I would like it to go on record as saying that the Ninth Parliament made this possible. In the past, the economic growth was on decline, but now it is on its way to recovery.

Mr. Deputy Speaker, Sir, my personal plea is that we, as leaders, must desist from perceiving Government's score card as a political campaign tool.

QUORUM

Mr. Raila: On a point of order, Mr. Deputy Speaker, Sir. This is supposed to be a debate on the Budget. Looking at the Front Bench, there is neither the Minister nor the Assistant Minister for Finance. We are discussing the Budget and yet, the relevant Minister is not here to listen to issues raised by hon. Members!

Mr. Deputy Speaker, Sir, secondly, look at the House! It is empty. There is no quorum. So, what are we doing here? This Government is bankrupt. It should go home!

(Laughter)

Mr. Deputy Speaker: Mr. Raila, you have raised two issues. Have you now drawn the attention of the Chair to the fact that there is no quorum?

Mr. Raila: Yes, Mr. Deputy Speaker, Sir.

Mr. Deputy Speaker: Fine! Then I order that the Division Bell be rung!

(The Division Bell was rung)

Mr. Deputy Speaker: Order, hon. Members! We now have a quorum. You may proceed,

Mrs. Tett.

The Assistant Minister for Housing (Mrs. Tett): Mr. Deputy Speaker, Sir, as I was saying, we should take pride in what the Government has achieved. We collect a lot of taxes. We no longer have to beg from donors. We now give donors conditions rather than the other way round. The taxes collected have come from Kshs1.4 billion to almost Kshs3 billion or Kshs4 billion per day. That is a great achievement. We should salute Kenyans for agreeing to pay taxes. In the past, Kenyans were evading paying taxes.

Mr. Deputy Speaker, Sir, I heard some hon. Members say that the growth in economy is not felt at the grassroots. The Constituencies Development Fund (CDF) has benefited so many people at the grassroots. If Kshs40 million or Kshs50 million is given out, it goes out to the grassroots. It comes from the top

to the bottom. When building schools in our constituencies, it is local people who provide labour. Therefore, we should not say that people at the grassroots do not feel this growth. Many people are employed and they get a lot of money from these projects. This is a lot of money that---

Mr. Deputy Speaker: Order, Mrs. Tett! Your time is up! I am sorry you were interrupted quite a lot, however, your time is up.

The Assistant Minister for Housing (Mrs. Tett): Mr. Deputy Speaker, Sir, I beg to support.

Mr. Kagwima: Mr. Deputy Speaker, Sir, I keenly listened to the presentation of the Budget by the Minister. I am convinced that the matter was well put. The Budget, if implemented, will go a long way to assist improve lives of Kenyans.

Mr. Deputy Speaker, Sir, I, however, did not get the policy on housing clearly. Our towns are congested. We need to come out much more clearly than was the case during the Budget day.

Mr. Deputy Speaker, Sir, there is an item called Settlement Fund. It is very important because very many parts of our country, including Coast and Rift Valley provinces and parts of Eastern Province have very many people who were displaced at one time or the other. I want to request the Government and, in particular, the Minister to ensure that these funds are released in good time, so that we can resettle our people. We, as a country, should not be discussing the squatter issue. It is very embarrassing that people living in their own country are squatters and have no hope or land. Without land, we cannot have housing. This is urgent. Although the Minister for Lands is not in the House, but somebody must inform him that we need these funds to be released immediately.

It is encouraging that the funds will go to the constituencies. That way, we will resettle those people quickly. What we need is the guidelines and the release of the funds.

Mr. Deputy Speaker, Sir, the other issue I want to talk about is education. My friend, the Assistant Minister, talked on this matter at great length. We are happy with the Free Primary Education (FPE). We are pleased to note that there is money for classrooms that is being released. This will ensure that FPE is a success. So, I want to laud the Government on this. I am also hoping that come January, 2008, we shall have students in secondary schools paying less fees or paying fees which is affordable. We should continue talking to the teachers in those schools to ensure that they do not bring in unnecessary levies again. This is because parents are called to parents' meetings and they pass levies without knowing only to find that they cannot afford those levies.

(Loud consultations)

Mr. Deputy Speaker, Sir, I wish you could save me from the loud consultations by the hon. Members.

Mr. Deputy Speaker: Order! Order! Mr. Bahari and company, consult in lower tones.

Mr. Kagwima: Mr. Deputy Speaker, Sir, this is an important Motion and it is good to listen to this. Those who have not contributed should prepare themselves to contribute to this Motion.

Mr. Deputy Speaker, Sir, I was talking about education. The infrastructure will go a long way, but the teachers should not bring in unnecessary levies. When that happens, education will be affordable in the country. You will note that we have very many children going to the neighbouring countries, more so, Uganda. Some of them are going to sub standard schools and others are going to universities that are not recognised. In many years to come, we will have people who have come from unrecognised universities. Those students will find it difficult to get jobs in this market. The funds we are spending on educating our children in those institutions will be a waste. We need to ensure that education in Kenya is affordable even in tertiary institutions, including universities.

Mr. Deputy Speaker, Sir, most important in this sector is the fact that we require adequate teachers. In the Budget, the Minister talked about recruiting 4,000 new teachers and 7,000 teachers to replace those who have left due to natural attrition. The figure of 11,000 teachers is nothing. It is peanuts compared to the required 40,000 teachers. I hope that we will recruit 20,000 teachers so that we are halfway. So, we want more liaison between the Minister for Finance and the Minister of Education to ensure that we do not churn out students with sub-standard education. We should not compromise the quality of our education.

Mr. Deputy Speaker, Sir, I want to salute the Minister for Roads and Public Works. The Minister is practical. As you move round the country, you will see road repairs going on and also new roads. So, if this continues, as a country, we will improve our road infrastructure and we shall have more kilometres of tarmac. Therefore, this will accelerate the growth of our economy, especially if we can transport our goods to the market easily.

The other issue I want to talk about is the project called International Fund for Agricultural Development (IFAD). There is another fund called Mount Kenya East Pilot Project. These two projects are slow, sluggish and not transparent. IFAD is coming to a close after being around for over six years, but in those areas where it is involved, it has made no impact. Some of this money has come from donors. It is embarrassing for our country that it is short of money and yet when we get the money and the donors are saying--- At the end of this week, the funds from IFAD are going to be taken back to the donors and we shall continue to say that we do not have enough water. Money from IFAD was supposed to develop water and agriculture, which are very important sectors in our economy. At the end of the week the remaining funds will be taken back to the donors. I only hope that the Government will be able to negotiate for an extension so that the funds can be utilised. However, those in charge should be told that they are doing us a lot of disservice. When we cry that we want money and it is here with us, yet we do not utilise it; that is very bad.

Mr. Deputy Speaker, Sir, the Mount Kenya East Pilot Project has been around for two-and-a-half years. What we are seeing are training and seminars. The money is utilised in organising training and seminars. Probably, in another few years, we shall be hearing that donors are recalling their money. We have a kitty of about Kshs2 billion to be spent in the next four years. At this rate, we shall be talking of the money going back. So, we want to call upon the Ministers involved--- I am happy that the Minister for Water and Irrigation is here - I think the two funds fall under his Ministry. So, he needs to be hard on these people. It is not only in my area that we are experiencing this problem, but all over the country. Those people are not transparent. They are slow and things are not moving.

Finally, Mr. Deputy Speaker, Sir, with regard to this issue of security or insecurity, I am at a loss to know why some Kenyans have bitterness against their own people. Some people even go along roads to spray others with bullets. Unless there is something that we do not know, that is an expression of a lot of bitterness. As a country, we need to find out where this bitterness is

coming from or what offence we have committed against those who are doing these things so that these issues can be addressed amicably. For somebody to do that, that is, taking the lives of other people indiscriminately without even worrying who is in the car, whether a relative or not, it is an expression of bitterness.

I know that the police responded by shooting down a few people. But is that a solution? It is like an individual fighting another individual. It is like a group of people fighting another group where you have this group versus the police. I do not think we can have a long-term solution by just shooting down each other. We need intelligent people in the police or in other Government arms to ensure that we know the truth and then look for solutions. If there are people who are bitter because they are poor or they did not get something they expected, the matter should be addressed. If these are children of the *Mau Mau* and their fathers were not compensated, we need to talk to them. If they need to be compensated, let us do so rather than allow them to take people's lives.

Mr. Deputy Speaker, Sir, with those many remarks, I beg to support.

Mr. Weya: Thank you, Mr. Deputy Speaker, Sir, for giving me this opportunity to contribute to the Budget Speech. It is about time the Government realised where it gets most of its resources from. It is very clear that in the tourist industry, the Government is collecting way over Kshs23 billion to Kshs30 billion. However, when it comes to the roads that lead to these game reserves and national parks, you will find that the Government only allocates a small sum of money to the tune of Kshs1 billion. That money is meant to service the roads that go into our national parks from which we get huge revenue.

Mr. Deputy Speaker, Sir, last year, we saw on television tourists telling us to fix our roads because they were not able to access the game reserves. This is because the roads had been degraded so much. Tourists going there were now being advised by the Government to fly to their destinations instead of using the road. So, the Government needs to really look at where our bread is being buttered properly.

Let me turn to the issue of the Information Communication Technology (ICT) sector. This Government is getting huge sums of money as revenue from multinational companies, like Safaricom, Celtel, Access Kenya and all those internet companies. The amount of revenue the Government is getting from this sector clearly shows that more money needs to be pumped into this sector. Why I say this is because, I think, this financial year, the Government has allocated Kshs3.7 billion as opposed to the taxes they have collected to the tune of over Kshs10 billion to Kshs15 billion in revenue from this sector. They need to go back and identify where they can put in more infrastructure in ICT. For example, I know they are trying to develop the fibre-optic cable, but they should make sure that many regions in this country have access to the internet. Why I also say this is because for us, as a country, to compete with the multinationals in developed countries, you find that our children have no access to internet in the rural areas whereas children in the developed countries have access to the internet as far as from the time they are in nursery schools all the way in all their educational system. So, how do you expect us to compete with the developed countries when we do not have those systems in place?

Mr. Deputy Speaker, Sir, a country like India has recently found itself growing [**Mr. Weya**] so fast because of the investment they have put into ICT and its developments to enable their use and communicate around the world. In today's world, you will find that you do not need to have a doctor at a venue of a health centre because in that health centre, there can be internet access which doctors can refer to other doctors, for example, around the world because of the scarcity of doctors we have in our country. For example, I think neurosurgeons are about three or four. So, you are able to conduct surgeries via remote systematical system where a surgeon can be in Nairobi and be able to co-ordinate operations around the country.

Mr. Deputy Speaker, Sir, I will also like to talk about an issue that the Government keeps

on talking about, of supplying cotton seed to farmers. The idea of supplying cotton seed to farmers is a noble one. However, you cannot just be giving seeds to farmers without providing any extension services and inputs. Recently, when we visited South Africa, we found that for the Government to revive the industry, it really has to go and give confidence to the farmers and locals in the area where that kind of product was there before. This will ensure that they bring them to a certain level where they can have confidence to continue producing. You will find that those seeds are being given to farmers, they plant them and they have no idea of how when they grow--- When they even go to market, they have no clue on the minimum returns they are supposed to get. There should be, at least, a minimum guaranteed return a farmer should get when he is going to sell his produce at the end of the day.

Mr. Deputy Speaker, Sir, they also discussed about employing new teachers, I think, about 11,000 or so and yet the demand for teachers is huge for this country. If you go to some of the schools in some areas because of the free primary school education that has been put in place, you will find that a teacher is teaching a class that he cannot manage. If you go to private schools, you will find a teacher has 15 students. If you go to a public school, you will find that a teacher is teaching 90 students and then we expect that student also to compete with the other student whose teacher handles only 15 students. Our students in the rural areas are really disadvantaged in many ways but they do well to a certain extent, because they are spoon-fed. We need to have some form of affirmative action in future when we are sharing out those resources. In a place like Nairobi, you find that--- We should have affirmative action in some of the rural areas. I hope when those teachers are going to be recruited, affirmative action will be taken into account in the rural areas. Those teachers should not be posted to areas where they are already settled within the system.

The Women Enterprise Development Fund is also a very noble idea. It is going forward with the Youth Enterprise Development Fund, which we know has not even been put in the statutes of this country. However, in 2003, this House passed the Persons with Disabilities Bill. In this Budget, not a single cent has been allocated by this Government to help people with disabilities. There are about three million Kenyans who have disabilities.

Mr. Deputy Speaker, Sir, if you go into the rural areas, you will find that people are even hiding those people with disabilities because they take it as a curse in society. The Government really needs to go down and find out how they can assist the people with disabilities. Despite the fact that this law was passed five years ago, the Ministry has not been allocated funds to assist the people with disabilities. So, I think it is critical to really look into this issue and consider the disabled people.

In future, we should allocate money for people with disabilities. I hope that the next Government will consider the people with disabilities.

Mr. Deputy Speaker, Sir, the Government said it is going to increase the deposits of operating a bank up to Kshs1 billion. This clearly shows that we are trying to create an elitist society where only people with a certain amount of money are able to operate financial institutions. So, we limit the number of financial institutions to give muscle to very few people in society. This is very wrong, as a society! Very recently, you only needed Kshs30 million to open a bank. Now, the figure has gone up to Kshs1 billion. Where is that money going to come from unless some people in society want to lock out other people who are trying to make it to the top?

Mr. Deputy Speaker, Sir, another issue I would also like mention is the sale of Safaricom, which has been brought up, as a way of regaining resources. When they are selling some of those State corporations and parastatals, you will find that a few individuals are going in and earmarking themselves.

If you go to the Registrar of Companies, you will find that there are five people who are registered in 10,000 companies. The job of those 10,000 companies is to just really buy stocks at

the Nairobi Stock Exchange (NSE). The same five people, because they know when the shares are going to be sold, will sit down and determine how many shares each company will be allocated. So, they say: "Let us create same companies with the same directors of the same shareholding and go and buy the stocks from the NSE." When the shares are being sold, those brokers and people who are playing in the NSE really need to look at who the directors of those companies are. You cannot buy shares in the same company with a different name but same directors. You are trying to create a muscle to muscle the economy in the future. I think this is very critical. Of course, as hon. Members, we get a lot of information from the public. The reason is because we represent them in Parliament and give out information that can assist when we are going through this kind of issues. It is critical, as a Government, to look at to whom those shares are going to. You cannot find five people with 10,000 companies and the same people are buying all these shares and winding up. After a short while, the money goes up, they go to one bank and get security for their money, invest their money and within three days they are able to pay back the money and they are home and dry. So, I think it is critical that we stop having what we call an elitist society and be fair to Kenyans. We should be open-ended and deal with the issue openly.

Mr. Deputy Speaker, Sir, as I have always said in this Parliament, when the Government is preparing a Budget, it should have a website where they can post issues. This will ensure that it does not only become a Parliamentary and private issue but it becomes an open issue.

Like our Constituencies Development Fund (CDF) and the National CDF Committee, if you go to the website of CDF and click on any constituency, you will know what is happening in that constituency, where money has been allocated. So, there is some openness. So, the general public knows what is happening. However, in a situation like ours, the Government is only giving us few papers here in Parliament; a few files and books and that is where it ends. They should go further and create a website where the ordinary Kenyans can click in and find out, in my district, how much money has been sent, to which department and what was the cause of that money being sent. That way, we will not have the Government graders scrapping the road for one hour and saying Kshs3 million has been spent or going and scooping a dam three times and saying that they just spent Kshs2 million. Yet even us, hon. Members, we have no access to that information when it comes to the amount of money going down to the districts. With those few remarks, I beg to support.

The Assistant Minister, Office of Vice-President and Ministry of Home Affairs (Mr. Moroto): Ahsante sana, Bw. Naibu Spika, kwa kunipa nafasi hii ili nichangie Hoja iliyo mbele yetu. Kwanza, nataka kuanza kwa kushukuru kazi ambayo imefanywa na Serikali kwa muda mdogo uliopita. Ningetaka kuanza na wilaya mpya ambayo tumepata kama watu wa Pokot.

Bw. Naibu Spika, imekuwa ni njia moja ya kuleta utawala karibu na watu. Sasa, tuna Wilaya ya Pokot North ambayo imekuwa sehemu ya Uganda kwa muda mrefu. Katika mwaka wa 1970, sehemu hiyo ilitolewa Uganda na ikawa sehemu ya Kenya. Ni sehemu ambayo ilikuwa imesahaulika kimaendeleo. Eneo la West Pokot kwa jumla ni sehemu ambayo, kwa muda mrefu, imebaki nyuma kimaendeleo. Watu katika sehemu hiyo wamekuwa wakiuliza, miaka nenda, miaka rudi, misaada ya chakula. Tunajua huenda ikawa jambo ambalo limefanyika linaweza kuwapa wale watu matumaini kwamba mafanikio yanaweza kuwafikia.

[Mr. Deputy Speaker left the Chair]

*[The Temporary Deputy Speaker
(Mr. M'Mukindia) took the Chair]*

Hata hivyo, Bw. Naibu Spika wa Muda, mshangao wangu, na nataka Waziri anayehusika

na wale wengine ambao wako hapa wajue. Wakati Mhe. Rais anakuja na watu wanamuuliza, anawajibu kwa kuwapatia matakwa yao. Lakini wale ambao wanahusika na kuwasaidia watu kwa karibu wanaenda mwendo wa kinyonga.

Bw. Naibu Spika wa Muda, hali ya barabara katika wilaya hizo mbili, yaani Pokot North na West Pokot, kuna sehemu ambayo tangu dunia iundwe, ama Kenya ipate uhuru hadi sasa, haijui kitu inayoitwa barabara. Hata watoto wakiona gari--- Hata sio watoto! Hata watu wazima! Hata hawajui kitu kinachoitwa Serikali. Wanajua tu vile wanakaa na vile wanaishi. Mshangao wangu ni kwamba, ukiangalia makadirio ya mwaka huu, pesa ambazo zimepeanwa na Wizara ya Barabara kushughulikia sehemu hizo ni ndogo mno. Hiyo ni kama kutuambia: "Nyinyi katika sehemu hizo hamstahili kuwa katika Kenya." Wamepeana Kshs22 million. Hata hiyo Kshs22 million imegawa kwa wilaya mbili. Zimegawa tena kwa barabara ambazo hata ukipeleka gari lako huko, halitaweza kupita. Viongozi wamekaa kupitia kwa DDC na wametuma mapendekezo ya sehemu hizo. Nilishangaa jana wakati Waziri alijibu Swali hapa akasema kwamba zile pesa mumenipa--- Hata unaweza kumhurumia huyo Waziri. Kwa hivyo, lazima Wizari wa Fedha na yule wa mipango watuambie wana malengo gani ambayo yanawafanya wasahau sehemu hizo.

Wakati mwingi, unapata kwamba wale watu au Wanakenya ambao wanaishi katika sehemu kavu ni watu ambao wanapigana na majirani wao mara nyingi. Hata katika eneo la Pokot, wakati mwingi, tunaingia Trans Nzoia na kwingine. Mapigano hayo yanasababishwa na ukosefu wa maji. Sisi ni wafugaji na ng'ombe wetu wanahitaji maji. Wakati mwingi, tunahama ili wanyama wetu wasitaabike. Hata mwaka uliopiata, tulipewa Kshs59,500,000. Lakini mpaka sasa, hakuna kitu kilifanyika. Hata Waziri alifika na akazunguka huku na tukamshukuru. Hata aligombana kidogo lakini alipotoka---

Mimi sijui! Ni kama watu wake walikuwa wanasema: "Wewe enda! Sisi tutanyorosha kazi nyuma." Mpaka sasa, hakuna kitu kimefanyika. Jambo kama hilo linaharibu sifa ya serikali. Wakati tunasema Serikali inajaribu kufanya hivi, watu wanasema: "Imefanya nini?" Mwito wangu mwaka huu ni kwamba, Mawaziri ambao wanahusika wajaribu kufanya bidii. Nasema kwamba Rais amejaribu. Wakati alienda sehemu hizo, watu waliuliza na akakubali kuwasaidia. Lakini wale ambao wanamsaidia ndio wako na shida. Ni lazima tuketi kuona tutafanya nini. Hata hivyo, ukiangalia katika makadirio ya mwaka huu, utaona kuna ukosefu wa kupeana mali kwa usawa. Sehemu zingine bado zinapata kuliko zingine. Na utaona sehemu hizo ni zile ambazo zimeendelea. Kwa hivyo, nasema kwamba Mawaziri ambao wapepewa jukumu la kuona kwamba Wakenya wamehudumiwa vilivyo wachukue nafasi hiyo, wazunguke kila mahali ili watu wajue kuna Serikali.

Nikimalizia, vile nchi inaendelea, kuna mambo ya usalama. Hivi majuzi, kuna ng'ombe walichukuliwa na wakapelekwa Uganda. Mpaka sasa--- Na Waziri alisimama hapa na akasema aliongea na mwenzake--- Mimi sasa sijui tunalisha mali na kupeleka nchi nyingine! Wakati watu wetu wanaruka na kwenda upande ule mwingine, wanakaziwa na wanarudishiwa.

Tukiangalia mambo ya usalama na haya mambo ya *Mungiki*, hatujui ni nini inaendelea. Kwa sababu watu wanachinjwa hata mchana na hakuna kitu ambacho kinafanyika. Nataka kufananisha kwa sababu jambo likifanyika sehemu nyingine, kwa mfano pahali mimi natoka, hata mbuzi mmoja akiibiwa, jeshi linatumwa kwenda kumtafuta huyo mbuzi mmoja ambaye amepotea! Lakini hivi majuzi, maisha ya mwanadamu---

Watu wanachinjwa mchana na usiku! Hali hiyo inakaa namna gani? Hatuwezi kusema ni Serikali peke yake. Hata upande ule mwingine. Lazima tutie bidii kama Waheshimiwa na kuona kwamba watu wamepata ujumbe wa kuweka usalama. Kwa sababu huenda ikawa sasa hivi, ni mambo ya siasa inaendelea. Huenda ikawa Serikali inafanya bidii, na wengine wanaenda kichini chini. Sasa, huwezi kujua hiyo kitu inaishia wapi. Inashinda mawazo ya wengine. Jambo linafanyika na hakuna kitu kinaendelea. Hata leo huko Naivasha, gari la polisi linapigwa mchana

saa saba! Kwa hivyo, lazima watu waketi waone namna wanaweza kusaidiana, ili usalama urudi na watu waendeleo kwa njia mzuri.

Kwa hayo machache, naunga mkono Hoja hii.

The Temporary Deputy Speaker (Mr. M'Mukindia): Hon. Members, I now call upon the Minister to reply.

The Assistant Minister for Finance (Mr. Kenneth): Thank you very much, Mr. Temporary Deputy Speaker, Sir. First, I am grateful to hon. Members who have spoken over the last few days, while contributing to the debate on the Budget. A lot has been said and I want to acknowledge all the contributions that have been made by hon. Members.

I will, therefore, touch on a few things that have been said. It is a pity that the Opposition Front Bench is not represented. We have been told that this is an election Budget and I want to demystify that. This is a Budget for the country. It is a Budget that will stretch towards June next year when elections will have been held. It is a Budget that, in the unlikely event that the Opposition will be in Government, they will have to use it for the next six months. Therefore, the Budget is for the country and I would have wished for a little more scrutiny of the Budget, instead of just merely dismissing it as an election Budget.

This Budget has been aligned to the vision of 2030. The Vision of 2030 is a vision for this country. It is where we would like to be. We are this far and we want to move to that position. Unless we put policies that will encourage a growth rate that will make us achieve a vision, then we are not doing any service to this country. Some of the countries that have been quoted here like South Korea, Singapore and so on, have been stories of a vision that has come true. It is important that, as hon. Members, we support the Vision 2030 so that we can achieve what we would like to see as a wonderful thing for Kenyans.

Mr. Temporary Deputy Speaker, Sir, the Singapore story went over 25 years. The Malaysian story went over 20 years. Those visions worked, because people worked towards a vision of their country. It is, therefore, important that we do whatever we can do to ensure that our country remains the winner in all the policies that we have brought forward.

I know there has been fear that there will be increases in prices because the cost of plastics will go up, now that duty has been put. First we must agree that the cost of Excise Duty on plastics is a sin tax. It is a sin tax in the sense that plastics have done more dangerous things to this country than gains. In fact, I have done a soul-searching when I heard that one of the sugar companies wanted to increase the price of sugar because we are changing from plastics. But to say the least, the cost of paper is still cheaper than the cost of plastics. I had an occasion to speak to the producers of paper in the name of Pan African Paper Mills and I asked them what the actual cost is. They told me that to that particular distributor of sugar, they had quoted both the price of paper and plastics which they already had because they were packing in plastics, and the price of paper was actually cheaper than that of plastics. So, we need, as leaders, to encourage those people who have been packaging in plastics to turn to paper which is cheaper and which is much safer for this country.

Mr. Temporary Deputy Speaker, Sir, the issue of equality has arisen. I am taken a little aback that some of the people who have complained, especially about infrastructure, are some of the biggest beneficiaries of that infrastructure. I had an occasion to listen to Mr. ole Ntimama yesterday talking about the state of infrastructure in this country. Looking at this current Budget, Narok North is one of the major beneficiaries in terms of infrastructure. The road from Maai Mahiu going all the way to Narok costing this Government almost Kshs5 billion is in Mr. ole Ntimama's constituency, yet he has the courtesy to come and say that there is inequality in infrastructure. We have Kshs5 billion out of Kshs61 billion for infrastructure going towards a key road in this country.

Mr. Temporary Deputy Speaker, Sir, this morning we listened to the hon. Member for

Tinderet talking about infrastructure and the arteries of roads in this country. In this year's Budget, Kshs9 billion has been earmarked for the road from Nakuru to Malaba which is what Mr. Kosgey was complaining about this morning. It also appears that we have not acquainted ourselves with what is in this Budget. It is important that when we look at equality, we look at the four key sectors that have taken most of the money. The first one is roads, which I have dealt with and I have spoken about. The other one is in health which every hon. Member would like to see going back to the grassroots. We must commend the Ministry because the days when people used to go and look for drugs in hospitals and could not find them, are long past us.

Mr. Temporary Deputy Speaker, Sir, the other sector that took a big chunk of this Budget is education which cuts across the Board. The other one is security. If you take those four major sectors which take nearly 70 per cent of the entire Budget, they cut across this country. So, when we speak of inequality, I really do not understand what we are talking about. I am sure if we did an analysis for health and education for every region, we will see that it cuts across the entire country. There is the Constituencies Development Fund (CDF) to supplement all this and that is another area of equality. The more the taxes go up, the more the CDF goes up. Therefore, every individual Member of Parliament is also able to supplement or complement what the Government is doing.

Mr. Temporary Deputy Speaker, Sir, therefore, I want to encourage hon. Members to acquaint themselves with what the Budget is really saying. Let us not politicise it. Let us look at the Budget as a policy document that is able to sent us forward. Let us not sectionalise this country. This is our country and I expect that an important item like the Budget is for the entire country. I would hate to imagine that at Treasury we would sit down to look at a certain section and say that, that is not deserving. What would be good for this country is the entry of very good politics that would make our country go forward. Virtually, everybody in this House is a parent. So, we are not only talking about ourselves but our children. We want our children to have a better place than we found it ourselves. The only way we can make Kenya better is by having policies that will take us forward. That is why I said that it is very easy to dismiss this Budget and say that it is an election Budget. But in that unlikely event that, that Bench was to take over, they will have to use this Budget for six months from January. Therefore, it would have been very important for that Opposition Bench to look at those six months in which they would inherit, again, in that unlikely event. So, it is very important that we are able to articulate, scrutinize and have a way to move forward.

With those few remarks, I beg to move.

*(Question put and
agreed to)*

ADJOURNMENT

The Temporary Deputy Speaker (Mr. M'Mukindia): Hon. Members, we do not have any other business in the House this afternoon. Therefore, there being no other business, the House stands adjourned until Thursday, 28th June, 2007 at 2.30 p.m.

The House adjourned at 5.20 p.m.